

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 8TH MARCH 2004
REPORT ON: PROPOSED RECYCLING INSTITUTE
REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT
REPORT NO.: 184-2004

1 PURPOSE OF REPORT

1.1 The purpose of this report is to inform the committee of the proposal that a partnership of Dundee City Council, the University of Abertay and the Private Sector explore the development of an organisation named Recycling Institute based in Dundee.

2 RECOMMENDATIONS

2.1 It is recommended that the Committee approve the terms of this report, authorise the Chief Executive to sign the Statement of Intent and authorise the Director of Economic Development to pursue the development.

3 FINANCIAL IMPLICATIONS

3.1 There are no financial implications anticipated in establishing the Institute, beyond the Council's share of legal fees to formalise the structure. Any costs of this nature would be contained within the Economic Development Department's approved revenue estimates.

4 LOCAL AGENDA 21 IMPLICATIONS

4.1 The development of Recycling Institute in Dundee will extend and enhance the major investment Dundee has maintained as a recycling city. The Institute will take the recycling issues faced at all levels of Government, Education and Business and explore solutions to their needs.

5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 There are no equal opportunities implications of relevance to this report.

6 REPORT

6.1 The proposal is that the partners pursue the formation of Recycling Institute - (RI) as a professional institute serving the spectrum of potential members, including those involved in Science, Engineering, Law and Business. It will be established in recognition of the fact that there is no profession of recycling and yet it is a subject which touches and in many cases significantly affects the majority of, if not all, professions. It is expected that the membership will be international.

6.2 A principal objective of the Institute is to provide a forum to enable individual professionals to operate beyond their existing ties and restrictions or to resolve their current limitations allowing them to explore, service and share their needs, ideas and problems. A parallel objective is that RI will develop as the leading name in primary research in recycling issues. RI will set up mechanisms and services to support those objectives.

6.3 The concept of Recycling Institute has three Founders, The University of Abertay, Dundee City Council and a private company S D Lime & Associates. A Statement of Intent will enable these three partners to explore the best formal structure for RI.

6.4 The Statement of Intent will be signed between the three Founders of RI addressing the following objectives:

"The purpose of RI will include raising funding for research, creating a widely-represented subscribing membership, contracting for the provision of original research in the field of recycling, promoting the benefits of recycling for society and encouraging the engagement of the public and private sector in recycling activities that have societal benefits.

The Founders will evaluate a range of possible structures for RI and mechanisms for managing any relevant interactions contractually and mechanisms for stimulating interest in RI.

The creation of RI will be subject to the agreement of the Founders and approval of the terms of reference and the legal and ownership structure and funding mechanisms by the respective governing bodies or boards of the Founders. No Founder is under any obligation to the other Founders in the event that such approval is not forthcoming.

The Founders will work in a spirit of mutual co-operation and transparency to progress this important project."

6.5 In terms of resourcing Recycling Institute's growth, five types of funding are likely to define the sequencing and pace of RI's development, as follows:

- Membership fees from individual RI members;
- Affiliation fees from organisations;
- Commissions / studies / developments expected from affiliate organisations;
- Income from spin-offs enabled by RI services to members, (eg spin out companies / product developments / partnerships);
- Grant Funding.

6.6 Grant Funding will be the main start-up target. Grant funding is initially expected to set the pace of RI's development and there are a wide range of grant sources for which RI may be eligible. The barrier to applying for this funding, however, is the most basic one - RI cannot be an applicant for these funds because its constitution, its objectives, its managing structure and its membership do not legally exist in a suitable form. (To capture the name, however, Recycling Institute has been registered as a basic, limited liability holding company).

7 **CONSULTATIONS**

7.1 The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance) have been consulted in the preparation of this report.

8 **BACKGROUND PAPERS**

8.1 No background papers, as defined in Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

DOUGLAS A A GRIMMOND
DIRECTOR OF ECONOMIC DEVELOPMENT

DATE: 1ST MARCH 2004